

SENATE BILL 2371
By Kilby

AN ACT to amend Chapter 40 of the Private Acts of 1981; and any other acts amendatory thereto, relative to the privilege tax on the occupancy of any rooms, lodgings, or accommodations furnished to transients by any hotel, inn, tourist court, tourist cabin, motel or any place in which rooms, lodgings, or accommodations are furnished for a consideration in the City of Jellico.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Section 2 of Chapter 40 of the Private Acts of 1981, and any other acts amendatory thereto, is amended by deleting the language "three percent (3%)" and by substituting instead the language "five percent (5%)" so that said Section 2 shall hereafter, as so amended, read in its entirety, as follows:

Section 2. The City of Jellico is hereby authorized to levy a privilege tax upon the privilege of occupancy in any hotel of each transient up to the maximum rate of five percent (5%) of the consideration charged by the operator. Such tax is a privilege tax upon the transient occupying such room and is to be collected and distributed as provided in this act.

SECTION 2. Section 6 of Chapter 40 of the Private Acts of 1981, and any other acts amendatory thereto, is amended by deleting the section in its entirety, and by substituting instead the following language:

Section 6. Taxes collected by an operator which are not remitted to the Department of Finance or other appropriate officer on or before the due dates are delinquent. An operator shall be liable for interest on such delinquent taxes from the due date at the rate of twelve percent (12%) per annum, and in addition shall be liable for a penalty of one percent (1%) for each month or fraction thereof such taxes are

delinquent; provided, however, that the maximum penalty shall not exceed twenty-five percent (25%) of the tax due; provided further, however, that there shall be a minimum penalty in the amount of ten dollars (\$10.00) regardless of the amount due. Such interest and penalty shall become a part of the tax herein required to be remitted. The willful refusal or failure of an operator to collect and to remit the tax hereby imposed or the willful refusal of a transient to pay the tax is a violation of this act and shall be punishable by a civil penalty not to exceed fifty dollars (\$50.00). As against an operator the civil penalty provided for herein shall be applicable to each individual transaction involving lodging services paid for by a transient to the operator in cases where the operator willfully refuses or fails to remit the tax payable on such transaction to the Department of Finance or other appropriate office.

SECTION 3. This act shall have no effect unless it is approved by a two-thirds (2/3) vote of the board of mayor and aldermen of the City of Jellico, being the legislative body of said City. Its approval or nonapproval shall be proclaimed by the presiding officer the City of Jellico and certified to the secretary of state.

SECTION 4. For the purpose of approving this act as provided in Section 3, it shall take effect on becoming a law, the public welfare requiring it, but for all other purposes, it shall become effective upon being approved as provided in Section 3.